GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:1887
ANSWERED ON:14.03.2017
Loss making Pharma Companies
Rathwa Shri Ramsinh Patalyabhai

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the State owned drugs manufacturing companies are running under losses and if so, the details of such companies, State/UT-wise;
(b) whether the Government proposes to revive the said companies and if so, the details thereof; and
(c) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF ROAD, TRANSPORT, HIGHWAYS AND SHIPPING AND MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI MANSUKH L. MANDAVIYA)

(a)to (c) State / UT wise details of Public Sector Pharma Companies are as under:

Sl. No. Name of Company Manufacturing facility at-
1. Indian Drugs and Pharmaceuticals Ltd (IDPL) i. Telangana
ii. Uttarakhand
iii. Haryana
2. Bengal Chemicals and Pharmaceuticals Ltd (BCPL) i. West Bengal
ii. Uttar Pradesh
iii. Maharashtra
3. Hindustan Antibiotics Ltd. (HAL) Maharashtra
4. Rajasthan Drugs and Pharmaceuticals Ltd. (RDPL) Rajasthan
5. Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL) Karnataka

Out of these five PSUs, all except KAPL are sick or incipient sick. The earlier revival/ rehabilitation package of IDPL, HAL, and BCPL have failed to achieve desired results. The production activities in RDPL have practically stopped after fire in the plant in October, 2016. HAL and RDPL are not in a position to even pay salaries to their employees.
In view of the same, the Government has decided for strategic sale of BCPL and HAL and closure of IDPL and RDPL after meeting their liabilities, cleansing their balance sheets and effecting Voluntary Retirement Scheme (VRS) /Voluntary Separation Scheme (VSS) by sale of their surplus land.
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